Extension of purchase preference policy

7321. SHRI SATYA PRAKASH MALAVIAYA: Will the PRIME MINISTER be pleased to refer to the answer to Unstarred Question 2054 given in the Rajya Sabha on 30th March, 1995 and state:

(a) the details of the order by which Government have extended the policy of purchase preference upto 31st March, 1997; and

(b) whether a copy of the order extending the policy of purchase preference upto 31st March, 1997 will be laid on the Table of the House?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (SMT. KRISHNA SAHI): (a) and (b) The policy of purchae preference was extended upto 31.03.97 vide Department of Public Enterprises O.M. No. DPE/13(19)/91-Fin. dated 15.03.95. A copy of the O.M. is at statement. (*see* below).

Statement

No.DPE/13(19)/91-Fin.
Government of India
Ministry of Industry
Department of Public Enterprises

Block No. 14, C.G.O. Complex,
Lodi Raod, New Delhi
Dated, the 15th March, 1995

OFFICE MEMORANDUM

Subject:—Price/Purchase Preference for production and Servicing of Public Enterprises.

Reference is invited to Deptt. of Public Enterprises O.M. of even No. dt. 13.1.1992 and 14.2.1994 regarding purchase preference for Central Public Sector Enterprises. As per O.M. of 13th January, 1992, the purchase preference was operable only for a period of three years. during this period of transition the public sector enterprises were required to adjust them selves to the new environment of competiveness and efficiency so that the policy of purchase preference might be withdrawn within three years from the date of issue of the O.M., i.e. from 13th January, 1992. However, there has been demands that this facility should continue for some more time. Keeping in mind the pace of re-structruring of PSEs in responding to the new competitive environment, the question of continuance of the purchase preference for some more time has been carefully examined. The Government have decided to extend the policy of purchase preference upto 31.3.1997 as per the parameters of the scheme in vogue as per O.M. cited. This extended period would be final and the purchase preference would automatically lapse after 31.3.1997. The Central public sector enterprises are required to completely adjust themselves to the environment of competitiveness and efficiency within this period.

2. The cases which were under consideration from 13.1.1995 till the date of issue of this O.M. would stand covered under this policy, except those already decided otherwise.

Sd/-
(T.S. Narasimhan)
Joint Secretary to the Govt. of India

To:—

1. Secretaries in all Ministries/Departments of Govt. India.
2. Chief Economic Adviser, DEA.
3. Chairman, BICP.
4. The Chief Executives of all PSEs.
5. Dy. C&AG-cum-Chairman, Audit Board.
6 Principal Director of Commercial Audit and Ex-officio Members, Audit Board.